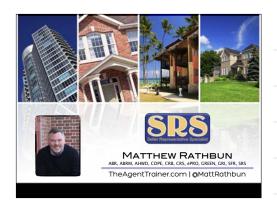




Student Manual











Your Benefits

- Designee resources include articles, press release, logos, SRS marketing templates, content for marketing your designation when prospecting for listings
- A free monthly e-magazine, The Real Estate Professional (a \$40 value)
- A free bi-monthly e-magazine, Real Estate Business (a \$40 value)
- Online Member Referral Directory for US and Canada
- Customer Service for member questions
- Social media sites for members -- Facebook, LinkedIn and Twitter
- Additional products and services for members in development and will be added

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Generation X

Characteristics

Expect technology savvy professionals, online presence with rich content and easy to use

- Expect a packaged transaction with high-caliber skills and advocacy
- · Will be your business partner
- Email and texting preferred
- Use smart phones w/ mobile apps, QR codes
- Will be loyal if they choose you
- High Expectations
- E-Transaction



28% of adult population 31% all buyers 30% all sellers

1965-1979

Generation Y

Characteristics

GenY and NextGen+ are very comfortable in a virtual environment and global

- environment and global community

 Purchase will not be restricted by domestic boundaries; crossing a threshold may not be necessary to make a decision; property portals will include all decision points
- · Will be an involved partner
- E-Transaction (search to close) will be the new normal
- Sets the stage for NextGen

1980-2000 22% of adult population 28% all buyers 9% all sellers



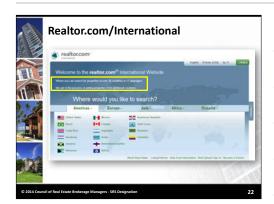
Unrestricted Information











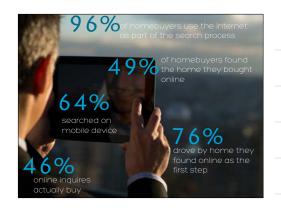
















Target Your Audience	11
1st Objective: Cultivating Existing Rela	tionships
dilla and	Ш
2 nd Objective: Infusing New Contact	cts
All II	
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Engage Multicultural Marketing



- · Attend networking functions

- 'Home Seller' Seminars
 Bi-lingual approved paperwork
 Bi-lingual peripheral partner teams
- Live translators from area colleges
- · Census.gov; Realtor.org; FNMA.com
- Consider the CIPS Certified International Property Specialist





Craft Your Message



Consider the generational impact and venue of

- Consider the generational impact and venue of communication
 Highlight your designations spell them out!

 SRS Seller Representative Specialist

 ARR Accredited Buyer Representative

 CIPS Certified International Property Specialist
 Create a marketing template for uniform marketing A strong grabber line is essential
 Consider your venue online or offline?
 Personal notes lose effectiveness if someone can't actually read them
- actually read them Print media requires color, large type and easy to read fonts
- Texting should be carefully used for marketing



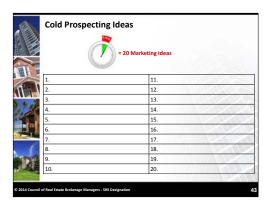
















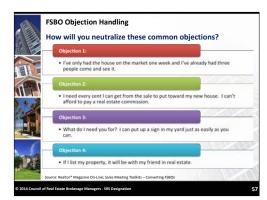












FSBO Objection Responses

Objection 1: Most effective counters:

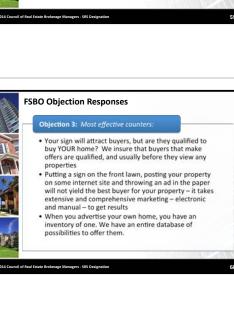
- That's great you've had so much interest. Could I come over and preview the property? I might have a buyer who would be interested.
- How many of those people have come back a second time? One of the problems with showing a house is that you get a lot of browsers who just like to see other people's homes.
- Did you have anyone who made an offer? Often prospective buyers find that they can't really afford the houses they find appealing in the ads. As a real estate professional, I always try to prequalify buyers first so that I'm not wasting an owner's time showing buyers houses they can't afford.

FSBO Objection Responses

Objection 2: Most effective co

- I know that it's important to have the biggest down payment possible. An NAR survey revealed that people who sell their homes through a Realtor* sell their homes. For 16% more than those who sell their property themselves. So even if I charge a professional service fee, you will probably come out ahead.
 Our firm advertises extensively to generate inquires from qualified buyers and all area agents so that you will receive property showings and increase possibilities to secure offers. You know, huyers understand about real estate comprisions.
- Property showings and increase possibilities to Secure oners.

 You know, buyers understand about real estate commissions, too. Any buyers who purchase from an owner will automatically assume that they can discount the price by at least that amount. The only person who gains if you sell your house directly is the buyer.



FSBO Objection Responses

Objection 4: Most effective counters:

- · You know that your home is probably your single biggest asset. Do you really think your friend is most qualified to get you the best price for you?
- · I've always found that the biggest problem with working with friends is that it's so hard to fire them if they don't perform. You take such a risk of losing their friendship and waste time not selling.
- Most folks are usually not comfortable having their friends know all the confidential aspects of their finances or business transactions. I admire your trust in your friends ability to keep that confidential.





Assess, Convert and/or Re-List



Characteristics of Expired Listings

- Believe their Listing Agent did something wrong
- Have tried listing before
- · Usually over-priced or unmotivated
- May have debt that exceeds value
- Blame the agent for lack of ads

Communications and marketing should address these common objections





10 Steps to Listing the Expired

- Identify property that has expired & not re-listed.
 Contact them ASAP to secure
- appointment.
 Assess the value of property prior to visit.
- Listen to why they believe it didn't sell. Discuss the financial viability of the
- property.
- Be empathetic but convey what is reality.
 Provide seller counseling session.
- Overview your marketing plan.
 Explain how you communicate.
 Determine if you want the listing.





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Different Strokes

- Each property is unique and requires a tailored approach and different paths to achieve results.
 Listing models and market
- Listing models and market conditions must be considered in crafting a strategy.
- Different listing models must be analyzed to achieve optimum results.



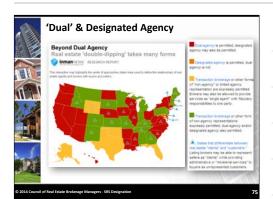


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REALTOR® Code of Ethics RESPA & HUD Interpretive Rule

- Flat fee assessed to represent client
- Agent is responsible to collect fee
- Not a 'Regulatory Compliance' fee
- Not be imposed on another Firm's client
- RESPA and HUD have filed concerns
 - similar to validity of home warranty service fees
- Supreme Court Case Freeman v. Quicken Loans – indicates that fees like flat fee commissions are legal under RESPA









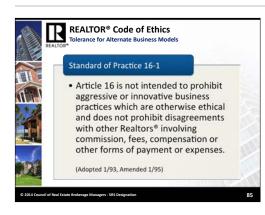
Focus on Listing Fee

"For the 180+ services I provide to you in the real estate transaction, I charge \$X ... my only other question of you as the seller of the property, is what would you like to add on for the cooperating agent?"

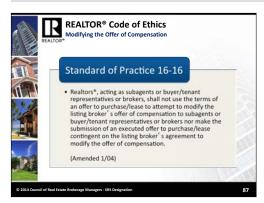
- Listing Side is a $\mbox{\bf portion}$ of the total fee
- Easier to justify than the total amount Minimum can be set by Office Policy to
- represent the seller side of transaction
- Provides an opportunity to compete with other business models
 - Limited Service
 - MLS Entry Only
 - Fee for Service or Menu-driven models













Modifying the Offer of Compensation

- Listing agents can't interfere with a buyer's agent contracted fee with their buyer client.
- If the compensation offered in the MLS isn't enough to satisfy the buyer's 'employment' agreement with the agent:
- Buyer may elect to include additional amount in their offer to purchase, or,
- May instruct agent to reject the offer of compensation and include an amount that will neutralize their contractual responsibility.



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Avoid Anti-Trust Liability

- Establish fees independently within the firm
- Make independent decisions about co-op fees
- Make independent decisions about cooperation with other firms
- Walk away from discussions with agents in other firms about fees, rates, listing policies, cooperation with other firms, different business models



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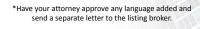


Sample Seller Concession



"Seller to pay Buyer X % of sale price in addition to the amount offered to the cooperating firm in the MLS for the buyer agent/cooperating broker at closing paid through the proceeds of the sale."*

Clause used for contract terms or conditions may not be used without the permission of your Brokand the approval of your firm's attorney.



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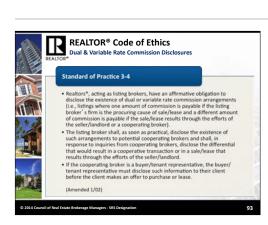
Other Compensation Language

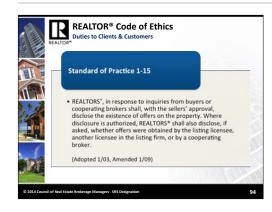
Viable for use in potential cash-poor transactions

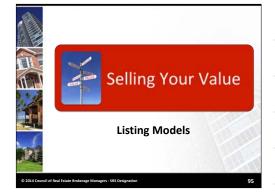
- ABC Realty rejects any offer of compensation made by the listing firm. Seller and/or any third party to the settlement and transfer of this property agrees to pay the buyer X% of the sale price to settle their contractual agreement with their buyer agent at closing.
- This rejection allows all parties including the 3rd party to the transaction to understand that what is being rejected is the disclosed co-op portion of the fee only.
- This insures that the fee in the buyer agreement, worded as a seller concession in the conditions of sale, will be a fulfilled so that the buyer client will not have any unforeseen risk for paying the buyer agent.

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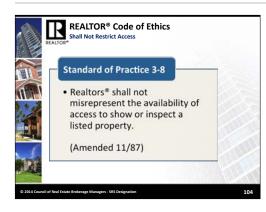








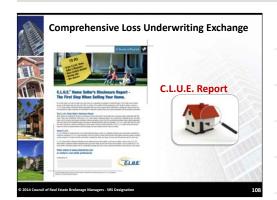




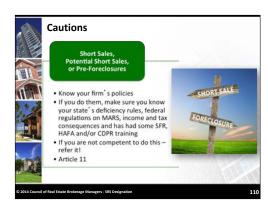












REALTOR® Code of Ethics

- The services which Realtors* provide shall conform to the standards of practice and competence which are reasonably expected in the specific real estate disciplines in which they engage;
- engage;

 Realtors' shall not provide specialized professional services concerning a type of property/service that is outside their field of competence unless they engage the assistance of one who is competent, or unless the facts are fully disclosed to the client.

 Any persons engaged to provide such assistance shall be so identified to the client and their contribution to the assignment should be set forth.

(Amended 1/10)



Some Questions You May Want to Ask

- 2. What did you like most/least about your last agent did?
- 3. What do you like most about your home? Why?
- 4. How will we know if we have priced your home correctly?
- 5. Do you have a network to sell the home yourself, such as an attorney, home inspector, termite inspector, escrow officer?
- 6. If you are considering selling your home yourself, have you considered security issues about people being in your home?
- 7. Tell me what you want this transaction to look like?
- 8. Tell me about the reasons behind you deciding to sell?
- 9. How long have you been considering the sale of your home?
- 10.Tell me about the conversations you have had with each other or family members about selling your home?



Some Questions You May Want to Ask

- 11. Have you worked with an agent before? Why aren't you using them this time?
- 12. What one thing could I do today to make my service perfect?
- 13. Have you interviewed others? What was your impression?
- 14. What do you think the biggest challenge will be getting it sold?
- 15. How long are you willing to wait to find the right buyer? 16. Are there others who will be assisting you with the decisions?
- 17. What types of marketing do you think would work best? Why?
- 18. Have you searched the internet and looked for other homes for sale? Which sites did you visit?
- 19. If this process were any way you wanted, what would you like?
- 20. Have you visited other homes for sale in your neighborhood? Tell me what you learned by doing that?



Some Questions You May Want to Ask

- 21. Do you have a sales price in mind for your home? Why?
- 22. What are you most concerned about regarding the sale?
- 23. What one thing is most important to you in your sale?
- 24. If you had the opportunity to tell a buyer just one thing about your home, what would that be?
- 25. How often would you like to receive status reports? When you contact me, what do you consider to be an acceptable response?
- 26. Do you have an amount of money in mind that you would like to walk away from this transaction with? Why is that number important to you? What would you do with those funds?
- 27. If I meet all of your goals are you willing to hire me tonight?
- 28. Where are you relocating to? Do you want some assistance?
- 29. Do you know that I also help my clients as buyers while we are in the process of selling their home?





Comparative Market Analysis

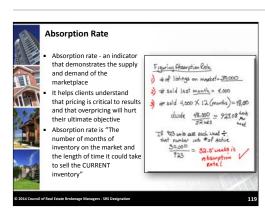


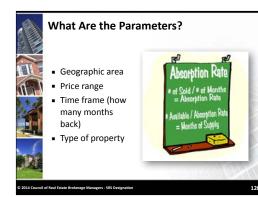
CMA Components -- Purpose

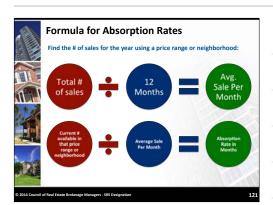
- Evaluate historical data and "like-kind" property that sold in the recent
- Pressure The historical range is then balanced to active competition and market absorption rate for that area, price range and property type It is a range of value not a specific number which is, instead, an appraisal
- Be prepared to justify or neutralize value on consumer valuation sites that sellers may be researching for themselves



















Purpose of the Appointment

The purpose of the counseling session is not to try to guess the number they want to hear – the purpose is to:

- Describe what you will and won't do by law; can and can't do by Office Policy; must do by the Code of Ethics; and want to do based on how you do business
- Provide an overview of the process and demonstrate the value you bring to the table
- Assess the seller and their property for motivation, urgency, financial viability
- Set a mutually agreeable and realistic expectation level for a <u>saleable</u> listing
- Determine if you want the listing



Seller Counseling Checklist

Topics to Discuss With the Seller

- Mission, Vision Value
- Your Value Proposition
- Legal / Statutory Duties
- Legal Can & Can't
- Will & Won'ts
- Office Policy
- How You Handle Buyer
- Disclosure of Offers
- Cooperative Compensation
- Review all Legal Forms
- 10. Confidentiality of Offers
- 11. Process for Multiple Offers
- 12. Service Partners
- 13. Marketing Plan
- 14. How Appointments are Made
- 15. How Showings Occur
- 16. Feedback Issues
- 17. Processing of Offers
- 18. Inspection Process
- 19. Online Marketing Strategy

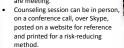


Meeting With the Seller

Your job is to be flexible so your presentation materials compliment your seller's comfort level and generational communication style



E-Presentations are an essential part no matter with what generation you are meeting.







Meeting With the Seller

If you sent a pre-listing packet prior to your arrival, follow up at the appointment with:













Improvement Basics

- Secure the listing as for the project start date rather than the start date of the showings
- It takes money to make money so set a budget and evaluate the 'return on investment'
- Buyers want "move-in" condition
- A dispassionate 'eye'or another consultant is priceless



8 Quick Fixes to Increase Value

- 1. Buff up curb appeal
- 2. Enrich with color
- 3. Upgrade the kitchen & bath
- 4. Add crown molding
- 5. Buff up hardwood floors.
- 6. Clean out, organize closets
- 7. Update window treatments
- 8. Repair items that need fixing



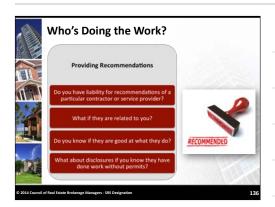


REALTOR Mag



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REALTOR Mag		
PRODUCTION DESCRIPTION OF STREET OF	You can also visit	
2012-13 Cost vs. Value: Make the First Impression Count	www.costvalue.com	
conditing the pulsable of a horner pass off, according to that a pair's Confrist Status fleat a state purph control principle determined property as a security that the party principle sealors with this hold rather an insectional according to project constraints.	that include market specific data.	
If you have get work and you have a second and you have a second and you have a second and you have a few and if he have of the second and you have a few and you hav	NAR's consumer website: www.houselogic.com	
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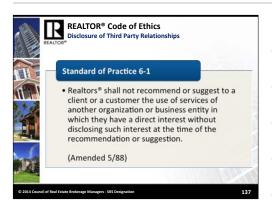


Sample Language

The following list of vendors service clients in Fredericksburg, VA and has been developed to assist buyers when purchasing real estate. Neither I nor Coldwell Banker Elite warranty these providers or their work. Consumers are encouraged to research their choices by whatever means they deem necessary. Clients are free to use any vendor that they prefer. This list is simply a starting point and clients are free to search Google, obtain referrals from friends or any other service they wish.

If you are looking for repair providers and your home is built in the year of 1978 or before, please check the EPA website to find vendors, as special training is needed for certain work to be performed on your home.

www.MatthewRathbun.com/Vendors







■Demonstrates to existing clients that you have positioned their goals to sell the property over your desire to secure both sides of the transaction for yourself

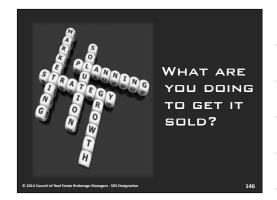
■Differentiates you from your competitors who just do the bare minimum

•Shows potential sellers why they

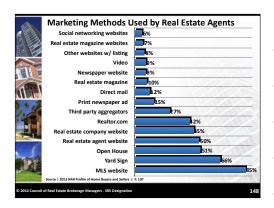
should list with you

Attracts buyers to the listed property or positions them for conversion to other properties





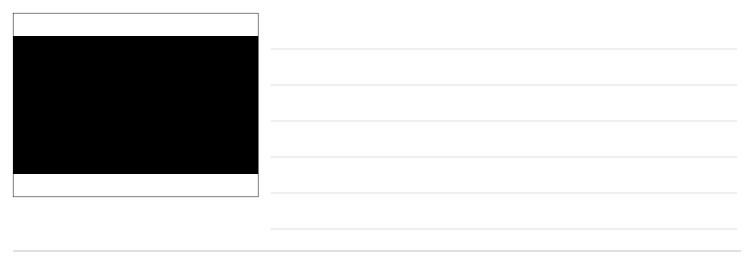














Property Descriptions

This?

Home has 4 bedrooms, 3 full baths, 2 car garage and over half an acre of land. Great house. Motivated Seller, bring all offers. Home is subject to Short Sale.

...or That?

Imagine sitting in your cozy sunroom on a warm spring morning, reading a book or laughing with family in Ladysmith,VA. This amazing sunroom comes with 4 bedrooms, 3 full boths & 2 car garage. Enjoy over half an acre while playing volleyball, enjoying a garden or having a family cookout. Seller also including the private master with oversized closet, private bathroom, jacuzzi, cherry hardwoods, fireplace, granite counters & tall cabinets.



MRIS Search Stats 2012

Item Searched	Times Per Day
Schools	100 203
Rooms	10687
Amenities	13.083
Appliances	14.306
Transportation	18.850
Exterior Features	20.247
Community Rules	29.828
Sauare Footage /	38.052
Coolina Systems	38.052
Current Financina	46.326
Basement Type	49.488
Parkina	55.241
Property Condition	64 298



ONLINE OPEN HOUSES



WWW.TheAgentTrainer.com/24HourOpenHouse 24HOUROPENHOUSE PREVIOUSLY SOLD! | MODIFIED FOR TRAINING PURPOSES VIRTUAL OPEN HOUSE VIRTUAL OPEN HOUS





Traditional Offline Tools that Still Work Signs & Sign Riders Websites, contact info., websites, QR Codes Pending Riders signal that you can get the job done!

- Pending Riders signal that you can get the job done!
 Just Listed / Sold
- Sent to neighbors to show that you are the one to select
 Sent to sphere because of potential referrals
- **Drip Marketing Campaigns**
- Geographic area, sphere, targeting ultimate users
- Incentives to the Buyer
- Cosmetic credits, Home Warranty
- Pre- or Post-Closing Services (lawn, pool, snow, housekeeping)
- Tax Credits, HOA fees, etc.

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Plaque Options for Disclosure at Open House

Which one is your office policy?

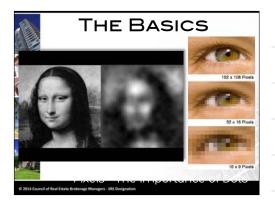
Our Firm represents the seller in the sale of this property – we may offer you representation as well, please ask us!

Our Firm represents the seller in the sale of this property – we may offer you assistance only











DIGITAL SINGLE-LENS REFLEX



• Interchangeable Lens

- · HD Photos
- Countless Settings
- · HD Video
- · Phase Detection Auto-Focus
- Speed
- Flexible



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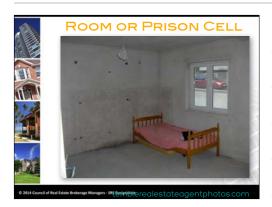






















































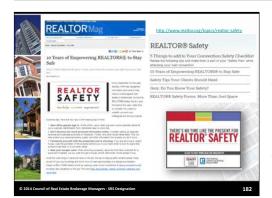








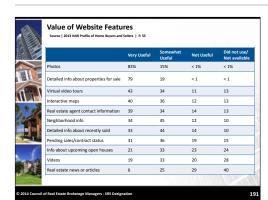






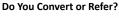












- Sign Calls texting and QR Codes
- Ad calls QR Codes

- Other agents in your office

Are those buyers clients or customers? What's your office policy?

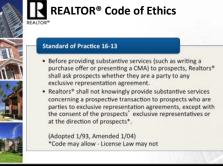


Call Conversion You can't convert calls until you know your Office Policy Will buyers be customers? • Will buyers be clients? • Will buyers be 'Facilitated'? • Will buyers be referred out?

REALTOR® Code of Ethics

Standard of Practice 16-13

- Requires that the agent ask the question before any substantive service is performed
 - · Including writing a purchase offer or
- Presenting a CMA
- · If answer is 'YES'
- You may not interfere with relationship
- Violates COE and License Laws



Agency Questions What can you do if the buyer is represented by an Agent of another firm? Walk-in Open House Sign Call Ad Call Internet Given them property information Show them your Firm's Listing Book an appt for them on the listing Confirm appt. directly with them Follow-up with them directly With their offer on the Firm's listing Negotiate with them on their offer

Photography Considerations

Sometimes buyers want to take photos ...

Could photographing the property be prevented?

Could they have really good reasons to want to take photos?

What if they post them on Social Media sites?

What is the implication of recordings or listening devices if the agent is from the same firm and they don't practice designated agency?



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Responding to questions from Buyers' Agents is one of the Listing Agents most important responsibilities.



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Escrow and Promise to Perform

- Initial and additional deposit are not fixed by law or office policy – only by mutual agreement
 - Business/Calendar Days? After
- Inspections?

 Unless stipulated by state specific contract law monetary deposit is not required
- Mutual promises of the agreement are the "good and valuable consideration" as with listing and buyer agreements



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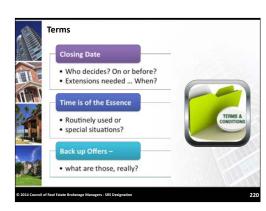
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Sale of existing property "Attorney review – time specific Mortgage Contingency Receipt of Gift Funds Contingent on seeing the property Compensation Differentials as a seller concession Written by Jawyers, not by agents and approved by your broker

Contract Forms



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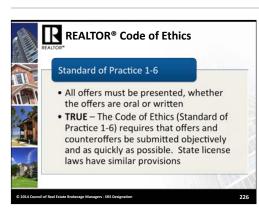








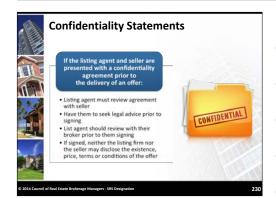




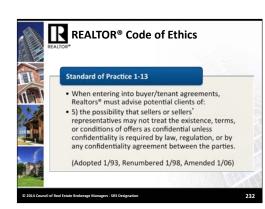










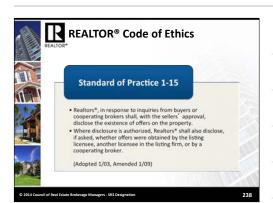




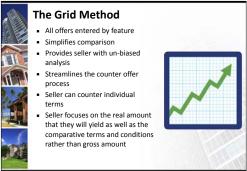


Tr	ue (or False
т	F	Question
		First offer is fully negotiated before others are presented or considered
		You can only ask for highest and best once
		All competing offers are confidential
		Seller must sell if the offer is full price, cash and no contingencie
		Once an offer has been accepted, no other incoming offers are presented
		Seller has to respond within a specific timeframe
		If the offer has a deadline for response, the seller is obligated to respond









Which Offer Would You 'Counter'?								
\$370 Asking Price	#1	#2	#3	#4				
Offer	\$375k	\$367	\$352k	\$354k				
1st deposit	\$1k	\$5k	\$10k	\$7k				
2 nd deposit	\$0	\$5k	\$10k	\$8k				
Inspect	none	Hm/Pest	Full	Full				
PQ/PA/Cmt	none	PQ	PA	Cmt				
Mtg Cmt	6 weeks	4 weeks	4 weeks	2 weeks				
LTV	100%	90%	80%	50%				
Close	120 days	90 days	60 days	Flex				
Conditions	\$10k closing costs	Home sale contingency	Hm pend	none				
Fee difference	\$0	\$5k	\$0	\$7k				
Adjusted Gross	\$365k	\$362k	\$352k	\$347k				
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Wondering

Wondering is a negotiating tactic that counters offers without formally countering

It is a tactic of asking 'clarifying questions' to determine what might be possible.

"Thank you for your offer — we see that the buyer has offered SX, has an initial down-payment of SY, a mortgage date of ______ and a closing date of ______.

"The seller was wondering if your client would consider ... More on the offer price; a little more down payment in a second installment, a quicker closing date — would you be able to ask your client those questions and get back to us please?"

"What if we did this _____? Would your clients be willing to ____?







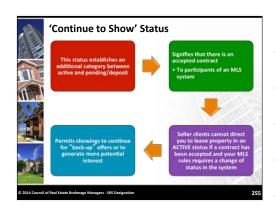




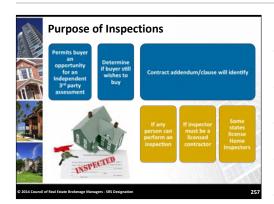








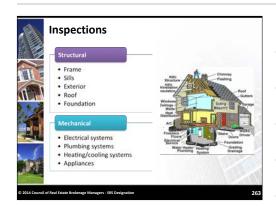






















Verification of Repair Requests

- A home inspector is like a 'general physician' ... "surgery" is not advised until an specialist yields a second opinion
- Seller should not repair or credit anything unless it's determined that problem exists
- All requests for repair or credit should
- re-quoted by the specialist
- Seller has the right to answer • Yes, No or How about this
- To each and every item requested



Reasons for Inspections



Once 'defects' of a structural, mechanical, or environmental nature are verified, the seller has two choices:

- Disclose
- Fix defect
- What is "fix it"?
- Defect may or may not be "fixed" permanently

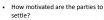


Re-Negotiations



disclosed prior to the offer being made...

- Re-negotiation is usually best result to accomplish the client's objective
- Take each item individually May or may not be valid requests
- Follow the contract!!
 - Dates & extensions play a big role in resolution





Re-Negotiations



Remind seller that defects discovered on inspection & subsequently verified, must be disclosed if current contract fails.

- If seller refuses to disclose because they question results or don't want to verify
 - Discuss with your broker and/or attorney
 - License laws require that agent disclose or be held liable for the nondisclosure
 - Be prepared to terminate the listing





Pending Issues

Personal property disputes
Seller Default
Buyer Default
Back on Market
Property Lost
Last Minute Crisis Incidents
Pre-Closing Possession
Post-Closing Hold -Overs
Pre-Closing Inspections



